

Item: RESO 08-198

Fiscal Impact_____

Funding Source:

Account #: _____

Budget Opening Required: ☐

ISSUE:

A resolution approving the issuance of bonds by the Redevelopment Agency and authorizing the City to enter into a contribution agreement to facilitate the financing for the City Center Redevelopment Area bond issue and take all other actions necessary to facilitate the issuance.

SYNOPSIS:

This agreement would provide for a backstop payment method in the event the City's Redevelopment Agency was unable to fund the debt service on the Redevelopment Bonds being issued for the purchase of real property in the City Center Redevelopment Area.

BACKGROUND:

The West Valley City Redevelopment Agency (RDA) is in the process of issuing bonds to cover the cost of real property acquisition in the City Center RDA. In addition to increment and cash flow from rents, the City is required to enter into a contribution agreement to ensure payment in the event the RDA is not able.

Development of the City Center provides a great benefit to the City and based upon this benefit, the Contribution Agreement is appropriate.

This agreement makes that commitment.

RECOMMENDATION:

Staff recommends approval of this Resolution.